



Regional Business Center

Decision Briefing for USACE Board of Directors

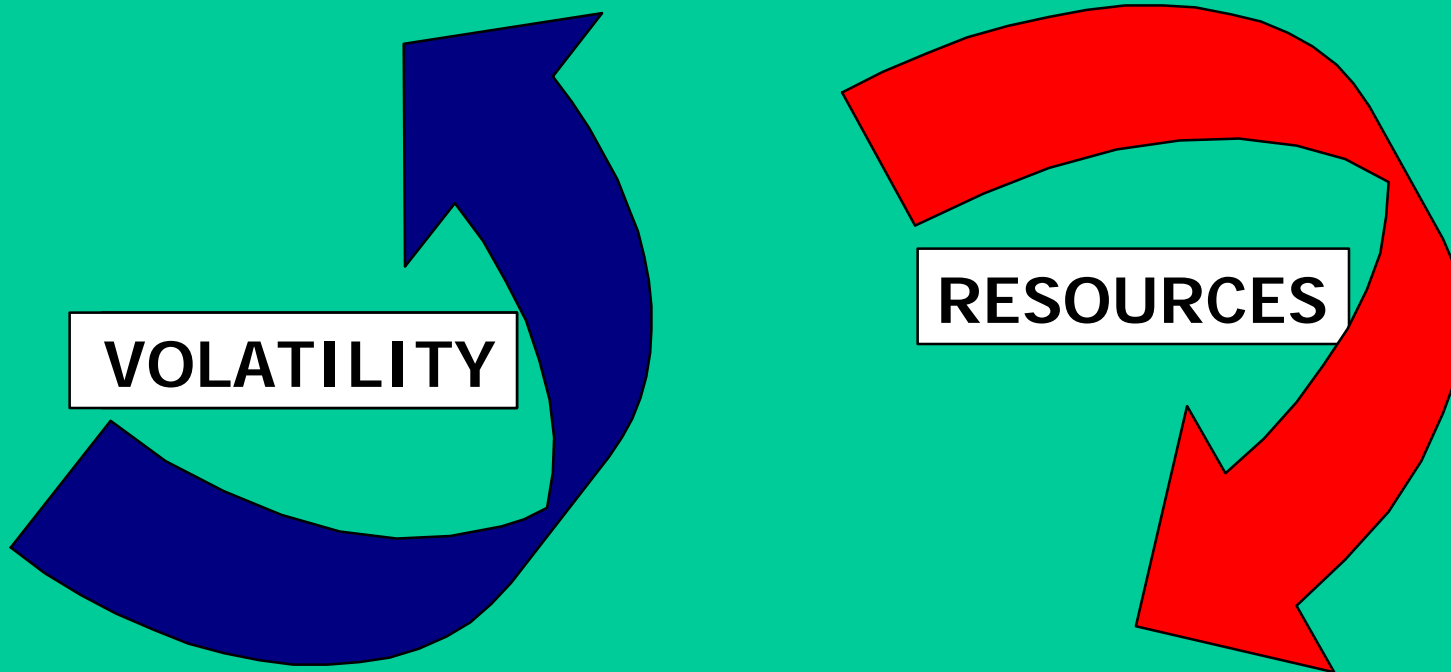
5 February 1998

**Presented by:
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Commander, Southwestern Division**

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What Is It?

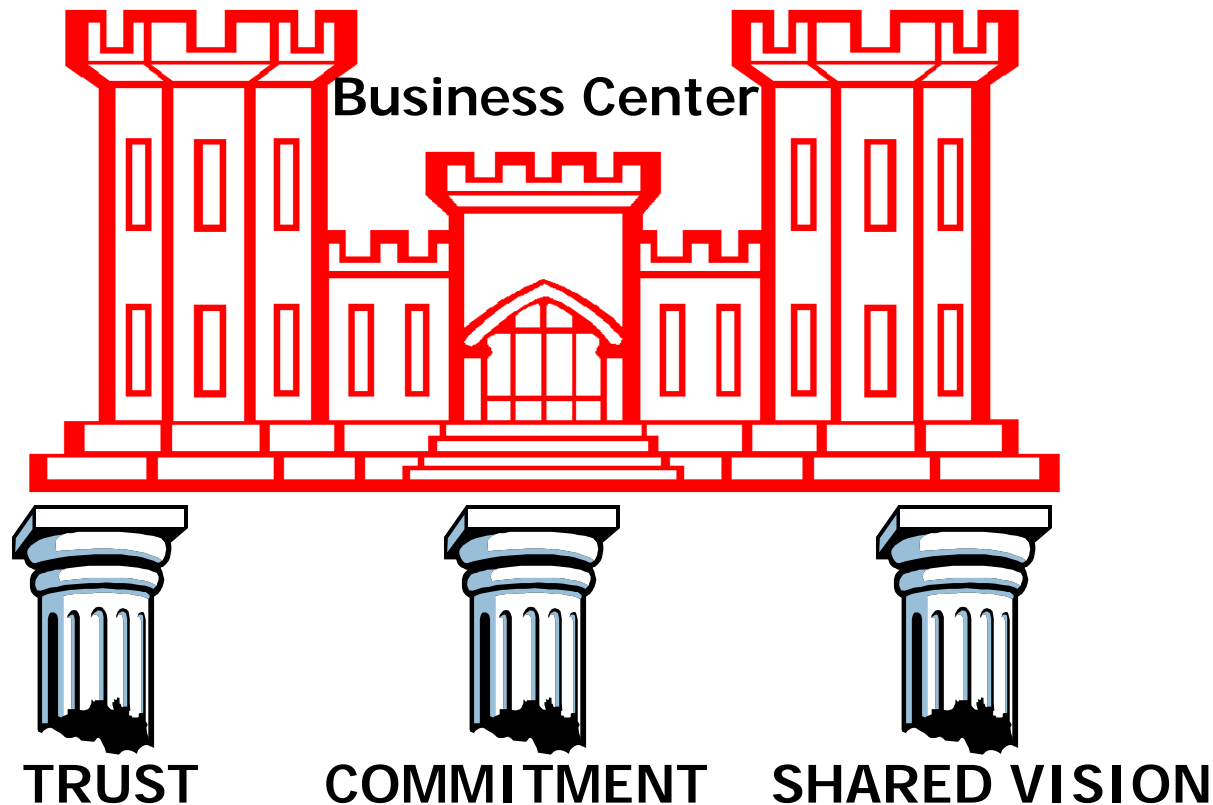
The concept of a Regional Business Center means operating all Districts as a single business entity to optimize the use of resources in the region. We will create an interdependence between our Districts by shifting the focus of business planning from individual Districts to the Division (region), while maintaining decentralized execution.



PARADIGM SHIFT

Revolutionary Change, Achieved in
an Evolutionary Manner

Requires a Strong Foundation





Business Center Objectives



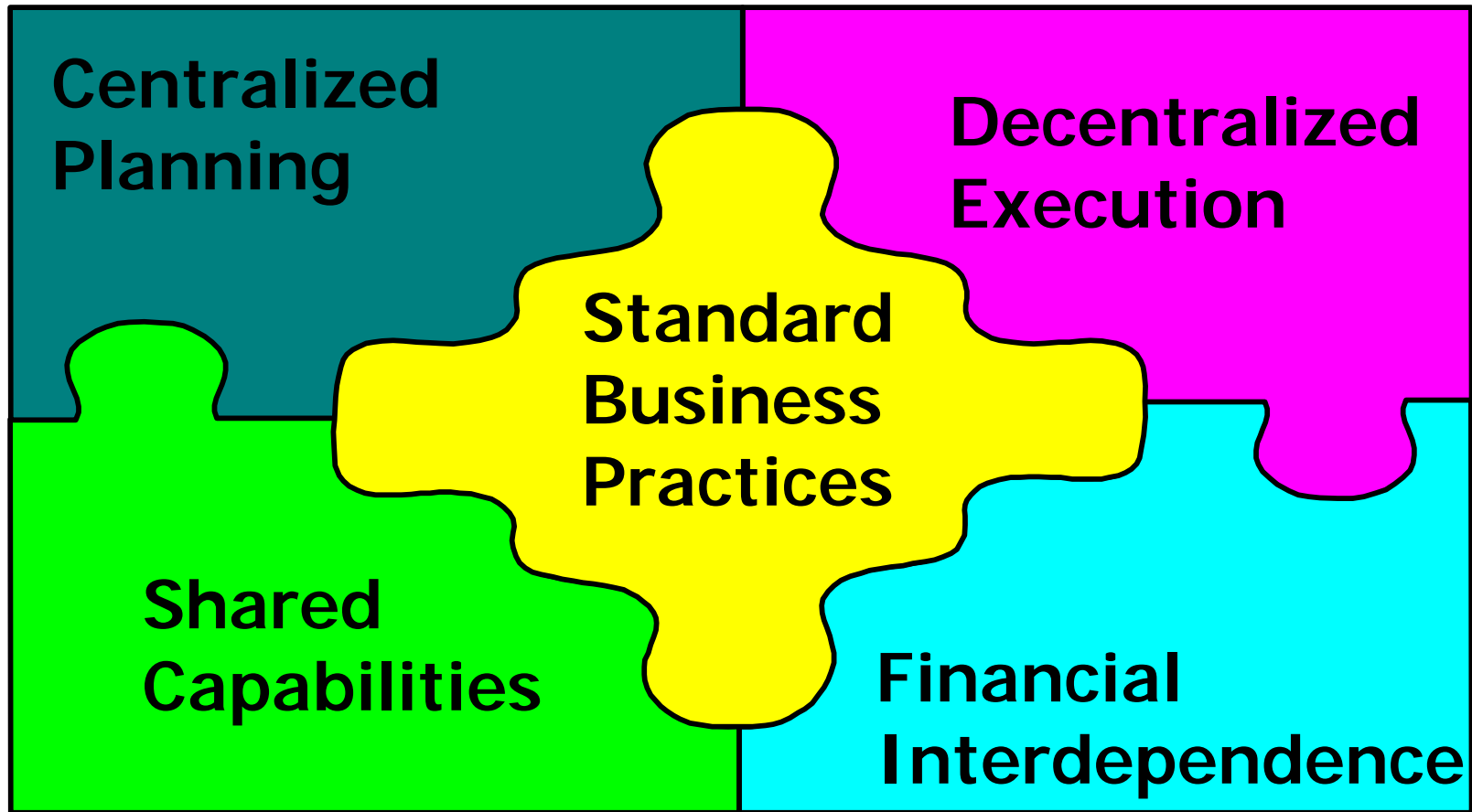
Achieve Consistency in:

- * Forecasting Workload and Revenue
- * Developing Operating Budgets
- * Recording Operating Expenses



Will Result in:

- * Increased Sharing of Capabilities and Resources
- * Improved Efficiency and Effectiveness
- * Consistent and Equitable Charges to Customers



Business Center Guiding Principles



Supports the
Corps Vision and
SWD Campaign Plan

Business Center Management

Initiatives will be evaluated
by SWD Workload Resource
Management Board (WRMB)

WRMB will make
recommendations to Division
and District Commanders

Regional Teams will
implement approved
initiatives

Full implementation will be
an iterative process over the
next several years

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FY98 Actions



Analyze District Operating Budgets

- ✓ Realistic Workload and Revenue Projections
- ✓ Consistent Budgeting Practices
- ✓ Ability to Meet or Exceed Cost of Doing Business Goals, e.g., S&A, A-E Contracting, and TLM
- ✓ Consistent Accounting Practices, e.g., Direct Costs and Overhead



Provide Guidance to Districts for Their FY99 Operating Budgets, e.g., Targets, Limitations, Regional Initiatives, and Metrics



FY99

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Near-Term Actions

- Build on FY98 Successes
- Capitalize on Best Business Practices
- Regionalize/Consolidate Functions That Make Sense
- Expand Use of Regional Teams (Virtually)
- Make Investments Based on Regional Priorities
- Drive Toward Standard Pricing in the Region
 - Narrow the Gap in District Costs/Pricing
 - Explore Feasibility of Standard G&A Rates





FY00-01

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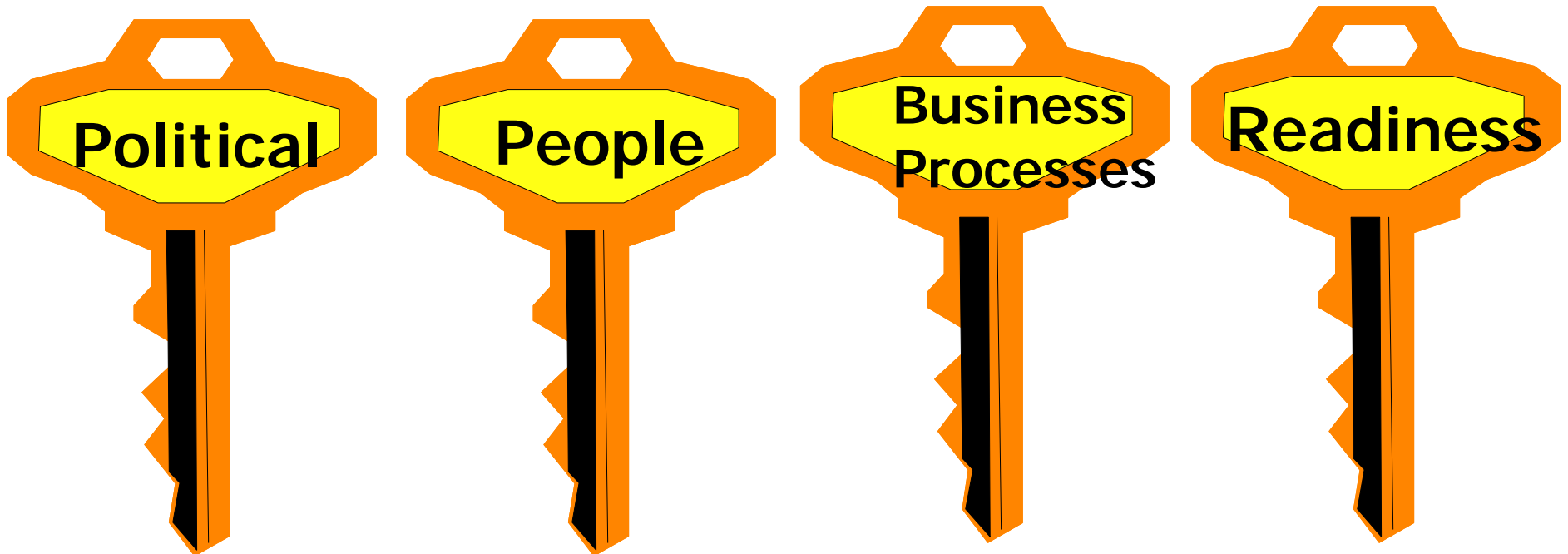
Long-Term Actions

- Simplify Inter-District Financial Transactions
 - Combine District CEFMS Databases *or* Make Them Interoperable
- Implement Standard Pricing if it Makes Sense



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Key Considerations





Recommendations

- Chief of Engineers Issue Guidance to Division Commanders Emphasizing:
 - Regional Teamwork
 - District Interdependence
 - Consistent Business Practices
- Evaluate Compliance with Chief of Engineer's Guidance During USACE Command Inspections
- USACE Monitor SWD Implementation of Concept
- SWD Share Progress With Other Divisions



**SWD, Regional Business Center Briefing
5 February 1998**